



# BUDGET COMMITTEE



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**For Immediate Release**

**March 4, 2010**

**Senator Gregg's Senate Floor Remarks on the Democrats'  
Health Care Bill and Reconciliation  
March 4, 2010  
(unofficial transcript)**

For the sake of the order and also for those people who may be listening to this dialogue, I want to go over where we stand on the health care debate, as I think it's important for people to understand what's happened.

There's been a lot of talk about a lot of different things, with the term "reconciliation" taking a front row seat. What's happening is that the House of Representatives is going to have to make a decision whether or not they want to pass the bill that passed here in the Senate.

Now, remember the bill that passed here in the Senate was a bill that was produced and delivered to the Senate on a Saturday afternoon for all intents and purposes – it was the core of the bill, the managers' amendment. No amendments were allowed after that Saturday afternoon. And a final vote was taken three days later on Christmas Eve.

It was a bill that expanded the size of government by \$2.3 trillion when fully implemented. It was a bill that reduced Medicare by \$500 billion in the first 10-year window and a trillion dollars when fully implemented. It took those savings from Medicare recipients and used them to fund a brand-new entitlement which had nothing to do with Medicare, and to dramatically expand an already existing entitlement called Medicaid.

It was a bill that basically said to small employers, "we're going to make it so darn expensive for you to keep the insurance that you presently give to your employees that a lot of you are going to decide to throw up your hands and stop insuring your employees and send your employees down to something called an exchange." It was a bill that basically set up a structure that would micromanage the delivery of health care in this country from a top-down situation, so, essentially, it put a bureaucrat between you and your doctor, and between you and your hospital.

It was a bill which was going to create so much new spending and grow the government so much that we would now have, after this bill is fully implemented, the largest

government as a percentage of our gross domestic product (GDP) than we have ever had at any time where we've not been engaged in a world war. Think about that.

That bill takes the size of our government and grows it from its historic level, which is about 20% of GDP, up to 26%, 27% of GDP when it's fully implemented. And most of that they allegedly paid for, except those pay-for's would never come to fruition, we know that this Congress doesn't have the courage to stand up and raise taxes or cut spending. Therefore, this would fall on the deficit and become debt that our children would have to pay off.

In addition, it did nothing, absolutely nothing, about reducing the cost of health care in this country. In fact, according to the Congressional Budget Office (CBO), 23 million people would still have no insurance, even after we spend \$2.3 trillion.

This bill, in my opinion, was -- and remains -- a disaster, from a fiscal standpoint because it will so massively expand the size of government and throw those costs onto our children's backs in the form of debt, and from a health care standpoint, because it will undermine, in my opinion, the delivery of health care, but more importantly, it doesn't do anything substantively to bend the out-year health care costs.

This bill, this giant bill, on health care -- this asteroid headed towards Earth -- is sitting in the House of Representatives. And they don't have the votes to pass it. Why? Because the American people have spoken. They spoke when they elected Scott Brown in Massachusetts, and they've spoken in polls across this country, and they've spoken in town meetings, and they've spoken in letters to Senators and e-mails to Senators, and House members. They're upset. They know this is bad policy, and they know we can't afford it and they know we shouldn't do it so there are a lot of House members that are a little queasy about voting for this.

So what have the House leadership and the Senate comes up with? They've come up with a huge sidecar. It's called reconciliation; it's a smaller bill. The purpose is to go around to the different liberal constituencies in the House and ask them what they need to get their vote for the big bill and then put it in this little bill. It's a purchasing process. It's a going out and buying votes process, done behind closed doors, as this bill was. This big bill was designed in a back room. They're negotiating with all those folks, "what do I need to do to get you to vote for this big bill, which nobody wants?" And somebody says, "well, you have to spend more money." So people get something that spends more money. Or, "you've got change the benefit structure here." So they change the benefit structure. They put all of these little changes -- which are fairly significant, but are nothing compared to the bigger bill -- in this smaller bill called reconciliation.

Why did they choose that bill called reconciliation to do this? Or why will they? Because under the Senate rules, anything that comes across the floor of the Senate requires 60 votes to pass. It's called the filibuster. That's the way the Senate was structured. The Senate was structured to be the place where bills which rushed through the House because they have a lot of rules that limit debate and allow people to pass bills quickly,

but they don't have any rule in the House called the filibuster which allows people to slow things down.

The Founding Fathers realized when they structured this they wanted checks and balances. They didn't want things rushed through. They saw the parliamentary system. They knew it didn't work. So they set up the place, as George Washington described it, where you take the hot coffee out of the cup and you pour it into the saucer and you let it cool a little bit and you let people look at it and make sure it's done correctly. That's why we have the 60-vote situation over here in the Senate to require that things get full consideration.

When the big health bill passed in December, it was done under normal Senate procedures because the majority knew they had the votes to eventually invoke cloture, shut off a filibuster, and bring the bill to a vote. But now they know they can't go that route again for the smaller bill because there are no longer 60 votes on the other side of the aisle. Senator Brown was elected in large part because of people's outrage over what happened when they basically jammed the Senate procedure and did not allow amendments after Senator Reid brought his substitute to the floor, and did not allow debate on the biggest piece of social policy and fiscal legislation in my history of the Congress. When they jammed that thing through here on Christmas Eve, people were outraged and Senator Scott Brown made that point. So now there are no longer 60 votes on the other side of the aisle. So they can't use that ramrod approach. So they've decided to go back to an arcane Senate procedure called reconciliation.

The budget and reconciliation are the only bills around here that have the right to pass with 51 votes and a time limit on debate and basically a time limit on debatable amendments, although not on amendments generally. And what really is reconciliation? Well, reconciliation was structured so that when a budget passed the Senate, there would be a way for the Budget Committee to say to the committees that were supposed to adjust spending or adjust taxes in a way to meet the budget that they had to do it.

So if your budget was coming out, \$10 billion, \$20 billion, \$30 billion over what it was supposed to be, reconciliation would say, change the law to bring it back to where it's supposed to be. And it's been used around here on numerous occasions, I think 19 times reconciliation has been used to enact laws since the Budget Act created the congressional budget process including reconciliation in 1974. But it has always been used for the purposes of adjusting issues which either (a) were bipartisan or (b) were pretty much purely issues of adjusting numbers, numbers on the tax side, numbers on the spending side.

And so of the 19 times that reconciliation has been used to enact laws, every time except two times, reconciliation has been a bipartisan bill. Twice it was not bipartisan. Twice it was run through here on a partisan vote, once on the tax increases that President Clinton passed in 1993, and once on a reconciliation bill dealing with adjusting spending -- I believe it was in 2005. Otherwise it's always been a bipartisan vote. So 89% of the time it's been bipartisan. And it has always been, when it has been partisan, used for making

these numbers adjustments, not for the purposes of creating massive new policy that affects every American in very personal ways, in the way they deal with their doctors and their hospitals and their health care treatment.

It was never conceived as a concept where the real legislation involving substantive issues of policy would be done. Tax rate adjustments have occurred under it. Absolutely. But when you move tax rates from 39% to 35% as the Bush tax cut did, or tax capital gains from 25% to 15%, that's not a complex issue. That's just, you know, taxes are either going to go down or they're going to go up and it takes about 100 pages of actual legislative language. Everybody knows the issue. It's an up-or-down vote, pretty clear. And in fact in those instances there were opposing positions presented and on those issues, people of both parties voted for them.

That's not like passing an entire rewrite of the health care system of America. The health care system is 17% of our economy and is one of the most complex issues we have to deal with. You pull a string over here and a string 10,000 miles away is affected. It's just a matrix of exceptionally complicated, interrelated issues with all sorts of policy language that's necessary. And so reconciliation was never conceived of and its purpose was never to take on big policy like that. Big policy is supposed to be taken on the floor of the Senate, in an open procedure, where there's debate and there's amendments. And the amendments are debatable.

So reconciliation is certainly not the appropriate vehicle to use here, but I think the point I'm trying to make is that reconciliation isn't the real game here. I mean, after the House of Representatives -- after they've gone around with this reconciliation bill and they've bought up the votes they need and said to these people, well, we'll just fix that in reconciliation if you'll just vote for the big bill -- after that's happened and the big bill is passed -- this \$2.3 trillion monstrosity in spending and government dominance of the health care sector -- after that's passed, the game is over. I mean, that's the law.

I don't think there'll be much incentive at all for the White House or my colleagues on the other side of the aisle to take up reconciliation. There certainly won't be any energy or need to pass it because the big bill which America basically rejects -- every poll in America says it's got a maximum approval of about 25% and somewhere around 60% to 70% disapproval -- that bill will become law.

And basically what will have occurred is we will have created a government that's so large and so burdensome that it is very unlikely that this country will be able to pay for it. And as we move into the out years, our children are going to get these bills. And in order to pay those bills, they're either going to have to have a massive event of inflation to pay for them or massive tax increase, and either one of those events undermine the quality of life or the standard of living of the next generation. You're going to get a health care system which has become basically a ward of the government, for all intents of purposes, with a bureaucracy that is very dominant and makes it very difficult for citizens to have the choices they need in order to develop a health care delivery system that is tailored to their needs. And a lot of small businesses will just give up on the idea of supplying health

care. And we also know, of course, that the health care prices will not come down, but will continue to go up.

So this is a really dangerous time, I think. It's a time when the House of Representatives has to take a hard look at what actions it's going to take, obviously, and I am a sure they will. But they have to recognize that voting for that big bill and hoping that the Senate will bail them out with the little bill, well, I'd take a second look at that, because, first, it will be hard to run a reconciliation bill across this floor and have it end up the way it started out because of all the points of order that will be available against it, but secondly, I'm not sure there will be all that much energy to do it.

I think it's important to understand that as much as reconciliation is an interesting and entertaining topic for discussion around here as to whether it is appropriate -- which I don't think it is under this type of scenario -- and whether the reconciliation bill will actually survive the challenges here on this floor from points of order -- that's an interesting issue, too -- that's not the question. The question is, is reconciliation even relevant once the big bill passes, and I think it's probably not. And so if I were a House member depending on reconciliation, looking to that bill as the way that I'm going to justify voting for this bigger bill which is such a disaster, I'd think twice.

Madam President, I yield the floor.